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# 16th STREET REVITALIZATION PLAN

Prepared by

San Francisco Department of City Planning



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\* I.

INTRODUCTION: WHY A REVITALIZATION  
PLAN FOR 16TH STREET





In March 1974 the Mission Housing Development Corporation published A Plan for the Inner Mission which comprehensively assessed problems, opportunities, and made broad policy recommendations for Mission District improvement. Based on this study, the Department of City Planning prepared The Mission: Policies for Neighborhood Improvement January 1975 which recommended objectives, policies and a program for neighborhood improvement. One specific program recommendation of the neighborhood plan under Economic Development (page 38, #3) called for the "Study of the 16th Street Commercial Area and Development of an Improvement Program".

Implementation of this recommendation became a community priority as a result of the influx of adult entertainment establishments, tragic and destructive fires, and a generally perceived deterioration in the quality of life on Sixteenth Street and its environs.

In response, the Mission Planning Council and local residents banded together to form "Operation Upgrade" to actively study problems and pursue remedies. In order to advance 16th Street planning and improvement efforts, Community Development funds were made available to the Mission Planning Council, for the preparation of plans, studies and recommendations.

The initial outcome of these efforts was a report entitled Sixteenth Street: A Neighborhood Study which described present conditions, discussed perceived forces that affect the neighborhood, and recommend a broad range of actions for neighborhood improvement.

In April, 1977, the City Planning Commission officially recognized the report as a neighborhood study.





Subsequently, Operation Upgrade applied to the Mayor's Office of Community Development for community development block grant funds with which to start a rehabilitation loan program for commercial and residential buildings in the 15th Street area. The Office of Community Development adopted a policy that requests for commercial revitalization program funds in a particular neighborhood must be made in the context of a revitalization plan that would comprehensively analyze the commercial needs of the street, develop a strategy- a set of programs-for addressing those needs, and prepare a budget and time frame for implementing the programs.

Since the neighborhood study was not a revitalization plan per se, Operation Upgrade's request was not funded; pending completion of an improvement plan that has the support of both merchants and residents.

In December 1977, the Department of City Planning began to develop a commercial revitalization plan for 15th Street in order to provide the neighborhood with a comprehensive approach to its commercial revitalization and make the neighborhood eligible for public commercial improvement funds. The following document, written with input from a number of community groups, merchants residents, and public agencies, represents the results of the Department's efforts.





11.

THE ECONOMIC PROBLEMS AND POTENTIALS OF 16th STREET



A number of factors analyzed below indicate that commercial activity on 16th Street is not as healthy as it could be: average sales volume per store is low compared to other commercial strips; and the ability of the 16th Street shops to attract local residents' shopping dollars is low; the degree of absentee-ownership is significantly high. In addition, private market interest in the empty major commercial sites along Mission Street near 16th shows that future competition from these facilities when reused and resulting market pressures on commercial land values may make survival more difficult for the small businesses along 16th Street that operate at a low profit margin.

On the other hand there are indications of improvement potential for 16th Street: Re-Use of the major empty commercial facilities on Mission could attract more shoppers to 16th Street. Within walking distance of 16th Street there are many shopper dollars that could be attracted. Sixteenth Street would not have to lose its neighborhood-serving character to increase its sales volume. Despite a high percentage of absentee ownership, a number of merchants have invested money to refurbish their storefronts and clean the sidewalks. Finally no adult bookstores have moved onto 16th Street to accompany Frenchy's.

#### TYPES OF BUSINESSES...What do shoppers find on 16th Street?

Within the four block commercial strip on 16th Street, between Dolores and South Van Ness, 106 businesses are presently in operation. The composition of these businesses breaks down in the following way: Restaurants (16), Personal Services (laundries, locksmiths, beauty and barber shops, shoe repairs) (17), Bars (13), Liquor Stores (3), General Merchandise (new and used) (16), Banks





(5), Foods (markets and deli) (7), Flower Shops (3), Pharmacies (2), Service Stations and Auto Repair (4), Hotels (3), Printing Shops (2), Real Estate (1), Plumbing and Heating (1), Book Shop (1), Theatre (1), Cinema (1).

Most of these stores cater to the everyday needs of local residents, while some, due to distinctive service or ethnic characteristics can draw over a wider range. The ROXIE theatre, the delis and restaurants, as examples, offer unique qualities to the greater San Francisco area.

#### TRADE AREA....Where do shoppers come from?

To determine the trade area for 16th Street, the walk-and-shop nature of consumers, competing commercial areas, and geographical contours were considered. Locational boundaries for the defined trade area are represented in Figure 1. Of the nearly 6,500 households which fall within the defined trade area, average household size was found to be 2.3 persons.<sup>(1)</sup> This would mean a total resident population for the trade area of 15,000.

Daytime working hours bring both transit (Muni and BART) users and the large percentage of service employees (banks) which forms a secondary trade area or market. This provides an extra flow of trade area dollars not accounted for in the neighborhood definition above. These dollars help to support some of the personal consumer good outlets and restaurants found on 16th Street.

Due to the nearness of Valencia and Mission Street commercial strips, trade area overlap presents analytical problems. It has been assumed that these commercial strips have dissimilar neighborhood functions.

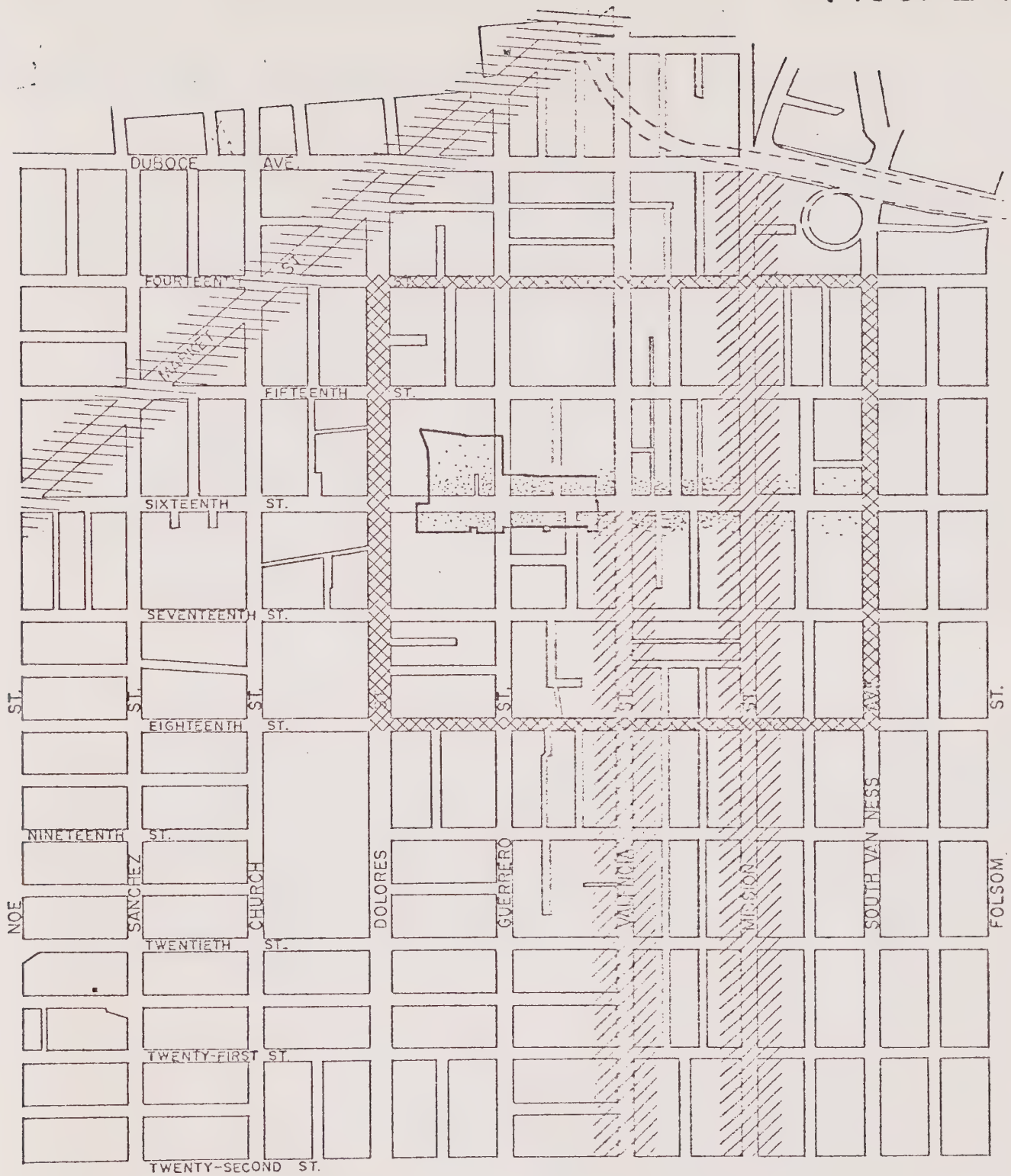
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(1) Source: Projections of U.S. Census data, 1970.





FIGURE 1.



TRADE AREA



COMMERCIAL AREAS



16TH STREET COMMERCIAL STRIP



800 FEET



SALES VOLUME...How much business is being done?

An estimated \$3 million per year in gross receipts are generated by the 16th Street businesses.<sup>(2)</sup> Other commercial districts do better. For example, the 16th Street commercial strip is only 45% the size of the nearby 24th Street commercial strip. Yet, 16th Street sales volumes are only 31% of those found on 24th Street. If 16th Street were experiencing commercial vitality comparable to that of 24th Street gross receipts would be \$1.3 million per year greater. From the differences in these two figures one can see obvious improvement potential for 16th Street. Figure 2, which compares average sales volume per store on 16th Street to that of other commercial streets, also highlights the need for improvement on 16th Street.

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(2) Determination of the total level of sales activity along 16th Street has been based on Gross Receipt figures available in the "Commerce and Industry Neighborhood Commercial Districts" report published by the San Francisco Planning Office. Figures on gross receipts represent 80 percent of the total number of taxable accounts found on the commercial strip. The remaining 20 percent have been approximated from sales ratios for those retail outlets, such as barber shops, which would be required to pay taxes according to Payroll Expense Tax Schedules.





TABLE XX

## Business and Payroll Taxes in the Mission Planning Area, 1974

<u>Commercial District</u>		<u>Gross Receipts Accounts</u>	<u>Gross Receipts</u>	<u>Gross Receipts Tax</u>	<u>Average Gross Receipts</u>
(1)	Mission Street (1)	427	20,526,197	33,697	48,070
(2)	Valencia	190	8,669,004	10,551	45,626
(3)	Sixteenth	80	1,767,001	2,513	22,087
(4)	Twenty-fourth (2)	183	5,674,038	7,503	31,005
(5)	Sixteenth/Bryant	15	1,145,905	1,314	76,393
(6)	Total Mission	895	37,782,147	55,580	42,214

TABLE XX (cond.)

## Business and Payroll Taxes in the Mission Planning Area, 1974

<u>Payroll Expense Accounts</u>		<u>Payroll Expense</u>	<u>Payroll Expense Tax</u>	<u>Average Payroll Expense</u>	<u>Total Accounts</u>	<u>Total Taxes</u>
(1)	178	11,984,526	119,844	67,328	605	153,541
(2)	68	2,294,733	22,945	33,746	258	33,496
(3)	22	3,320,926	33,209	150,951	102	35,722
(4)	43	2,597,629	25,978	60,409	226	33,481
(5)	8	812,971	8,130	101,621	23	9,444
(6)	319	21,010,788	210,107	65,864	1,214	210,107





INCOME AND EXPENDITURES...How much do trade area shoppers spend?

Residents of the 16th Street trade area spend an estimated \$14 million per year on items presently available on 16th Street --groceries, restaurant meals, and personal care items.

Census tract data has shown that the average household income for the area is \$9,200 per year. This would mean a weekly income of approximately \$175.00 per week. It is estimated that 24 percent of total weekly income can be expected to be spent by people in that income group on food (at home and away from home) and personal care items. This means that people in the 16th Street trade area spend \$14 million per year on those items. (A further breakdown on expenditure patterns by census tract is given in the Appendix).

MARKET CAPTURE RATE...How much of the trade area shopper's dollar do 16th Street merchants get?

On 16th Street it has been shown that annual gross receipts total approximately \$3 million, while potential spending for households in the trade area totals \$14 million. If one uses these figures to create a ratio of actual to potential trade area spending, it can be seen that only 21 percent of total potential dollars are being spent on 16th Street. Normally one should expect at least a 60 percent spending ratio. What this means for 16th Street is a \$6 million loss of trade area dollars to nearby competing commercial centers. Without increasing the size of the trade area, commercial activity on 16th Street has plenty of room to grow.



Two important questions relate to ownership patterns: (1) How many merchants own their own store? (2) How many store owners live in the neighborhood?

The first question is important because it indicates how much merchant interest there will be in investing money to physically improve their stores. A merchant who leases is less apt to undertake major renovations of his/her shop than one who owns and can benefit from increasing property values. Also a higher degree of owner operators means that less displacement could occur from the impact of major commercial ventures occupying the empty sites on Mission Street. The following figure shows that 16th Street has a low degree of owner occupancy: 29%. While that is typical for commercial strips in low-to-moderate income neighborhoods, it can present an obstacle to revitalization efforts.

Seventeen percent of the commercial establishments on 16th Street are owned, but not operated, by residents of the neighborhood. Although these local owners are probably not in day-to-day contact with their locales, as are the merchants who lease from them, they may have a enough interest in the appearance and quality of their neighborhood to invest in the physical improvement of their property.

Over half of the commercial facilities on 16th Street are owned by people who neither live in the neighborhood nor operate the stores. Such absentee owners may have no personal interest in the neighborhood other than from a property investment point-of-view. They may be uninterested in, or unwilling to, invest in improvements to their 16th Street properties unless an acceptable rate of return in the form of higher rents is clearly forthcoming.





Besides making commercial revitalization efforts a little more difficult, a high degree of absentee-ownership has a direct economic impact on a neighborhood in the form of "multiplier" effects:

Money entering a locality can be put to use in a number of ways. Assume it buys a loaf of bread. That sixty cents will then be taken from the store's tills and distributed: to workers, suppliers, management, the landlord, etc. - if management or the landlord lives far away, then management's, and the landlord's shares will leave the locality. If management or the landlord lives nearby, the money will remain in the local economy, going through another round of savings and expenditures. The more transactions the money can be used for locally, before it leaks out, the higher the multiplier effect and the greater return to the local, public treasury for sales and other taxes. One of the common definitions of money is that it is a store of wealth: a high usage of money translates into increased wealth in a locality.(3)

Thus a high rate of absentee ownership or absentee management means less of the residents' shopping dollars are recycled within the community.

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(3) William Batko, "Local Economic Development: Plugging the Leaks" in Self Reliance, No. 4, Nov. 1975, Washington, D.C.



III.

OBJECTIVES AND STRATEGY





## Objectives

The revitalization of 16th Street should lead to the following objectives:

1. Maintain and stabilize the neighborhood-serving character of 16th Street business.
2. Enhance the viability of existing small business along 16th Street.

These objectives preclude any redevelopment that would displace existing merchants and residents. On the contrary, these objectives and the strategy that follows are aimed at protecting and serving existing residents and merchants.

## Strategy

### 1. Short Term Strategy

#### A. Physical Improvements

- (1) Public physical improvements such as street trees, street cleaning, benches, and trash receptacles can be made fairly quickly with immediate payoff in terms of increasing the visual attractiveness of 16th Street and encouraging merchants to improve their locales, thereby enhancing the areas commercial viability.
- (2) Low cost private improvements to storefronts through a financial flexible rehabilitation program would create a rapid visual impact on the street, and help get merchants organized and involved in the revitalization process without asking them to bear additional costs or risks.

### 2. Long Term Strategy

#### A. Large Scale Retail Development

- (1) Community-based organizations and the City can seek responsive developers for the major empty commercial sites and work with them so that community concerns are met. Such development can benefit 16th Street merchants by attracting more shoppers to the area, and would provide more retail amenities for existing residents.



- B. Promoting Local Ownership - Local ownership of neighborhood business should be promoted for the following reasons. *benefit*

- (1) The blessings of any private large scale redevelopment of the major empty commercial facilities on Mission Street near 16th could be mixed. Completion from the new commercial facilities could result in decreased business for those stores that provide competing-rather than complementary-goods or services. There could be a tendency for commercial and residential land values to go up, resulting in increased rents for both merchants and residents. A higher rate of owner occupancy of stores and houses would mean that rising land values would displace fewer small merchants and low-to-moderate income residents through increasing rents.
- (2) Reducing absentee ownership and absentee management would mean that more residents' shopping dollars would be recycled within the community (see Part II: Ownership Patterns).
- (3) Local owners and operators are more willing to participate in local commercial revitalization efforts.

Local control or ownership of businesses can be promoted in the following ways: (1) assistance to individual merchants in negotiating long term leases; (2) acquisition loan packages to assist individual merchants in purchasing their buildings; (3) a non-profit community organization, such as a local development company or community development corporation, that could purchase commercial sites as they come up for sale and find local individuals or groups to manage the businesses located on these locally-owned properties (see Program E for possible sources of financing).

Parallel measures to promote individual or cooperative homeownership should be pursued in residential improvement for the area. Since the scale of commercial improvements recommended for the first year of funding will have impact on residential property values and rents, implementation of commercial improvement can begin concurrently with residential improvement.





IV

PROGRAMS



A. Physical Improvement Programs

Consumer support for the 16th Street commercial area and neighborhood pride can be enhanced through basic physical improvement projects. The following proposals which include both private and public improvements (street landscaping and private storefront and interior renovation) can aid commercial revitalization by making the shopping area safer, more accessible and attractive for customers.

1. Public Physical Improvements

Beautification projects needed in the 16th Street commercial area involve six basic public improvements.

a. Tree Planting

Presently, the absence of trees and open space on 16th Street confines the urban landscape to one of concrete and congestion. Trees are particularly helpful in breaking this unsightly continuum and also contributes to an attractive image which encourages shopping.

50 trees at \$100 each                      \$ 5,000

b. Installation of Trash Receptacles

Litter poses another unsightly problem for the area. Installation of waste receptacles would help to alleviate this problem. An advertised anti-litter campaign to encourage their use would also help enhance feelings of community pride.

6 receptacles at \$150 each              \$     900

c. Sidewalk Cleaning

Washing of sidewalks and continual upkeep programs would increase area attractiveness. This project should be done within existing budgets by the Department of Public Works Street Cleaning Division.

d. Street Lighting

Additional street lighting and, in some cases, lighting fixture maintenance would be helpful along 16th Street and adjacent streets. This proposed lighting improvement would help insure





safer streets for residents, theatre goers, and restaurant patrons. With increased foliage along 16th Street, the additional lighting becomes more important as street trees mature and shade greater areas.

A mixed lighting condition exists along 16th Street. Between Dolores and Valencia lighting fixtures are owned by P.G. & E. Whereas those fixtures between Valencia and South Van Ness are city owned. In the first case additional fixtures could be requested by residents and the city. This request and eventually the additional P.G. & E fixtures would not cost residents directly. In the second case, city owned fixtures would have to be erected. The cost for these additional fixtures is given below.

Proposed fixtures (see Figure 4) would bring 16th Street up to illumination standards found on Mission and Valencia Streets. Presently the 16th Street area has a block average of 30 percent less lighting than that found on Mission and Valencia.

7 fixtures at \$2,500 each     \$15,500

e. Ramped Curbs

The primary users of the commercial area are residents within walking distance. The absence of ramps at intersections inhibits elderly and handicapped residents' access to the area. This problem can be solved by addressing neighborhood requests for ramp installation to the Director of Public Works.

44 ramped curbs

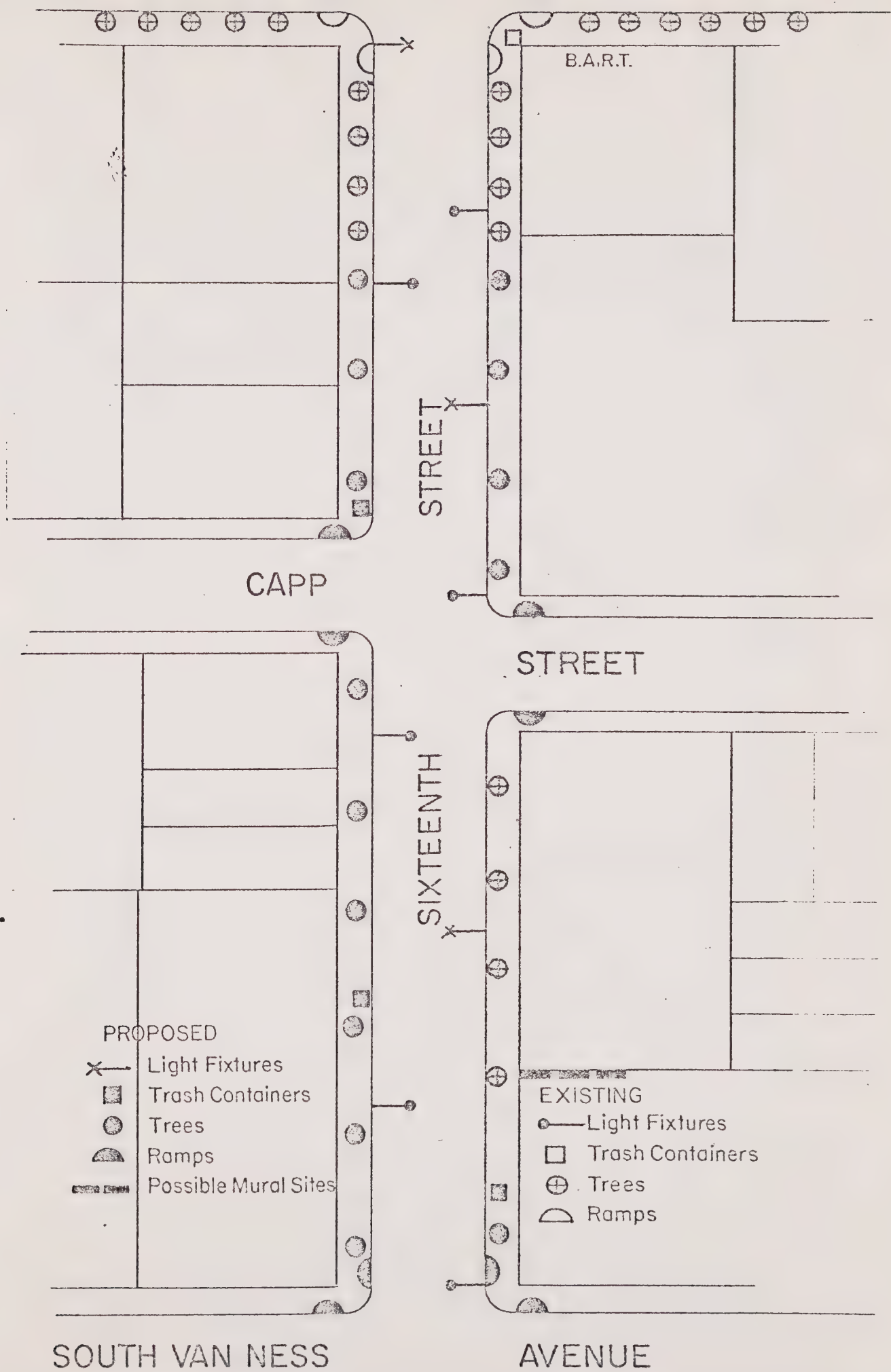
f. Undergrounding of Utility Lines

*Dolores* → Pacific Gas and Electric has estimated that undergrounding utilities along 16th Street from South Van Ness to Guerrero, including all intersections, would cost P.G. & E. \$85,000.<sup>(4)</sup> Individual hook-ups would cost

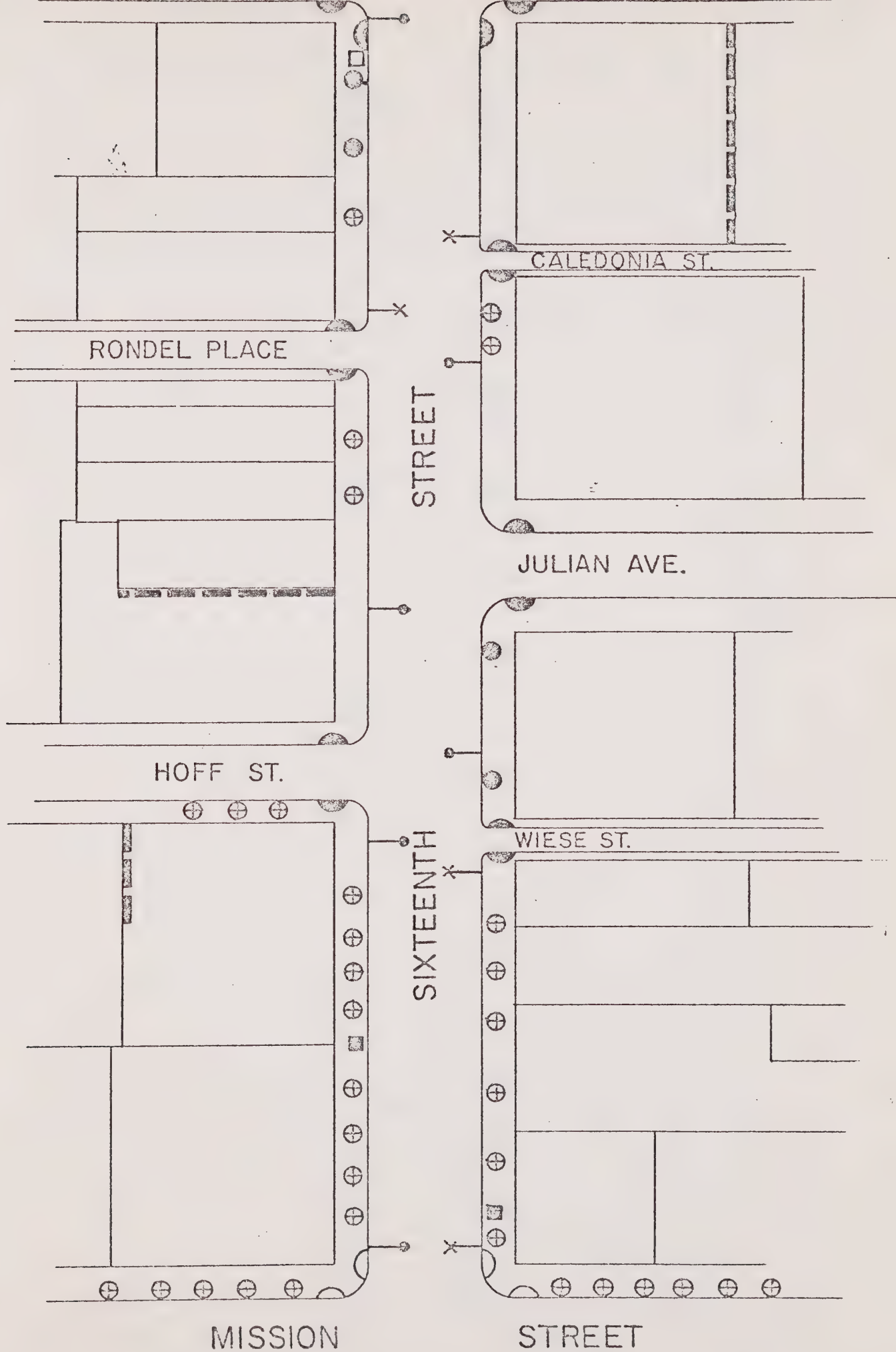
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(4) Robert McKillikan, P.G. & E. The following are elements involved in implementing changes to storefront facades.









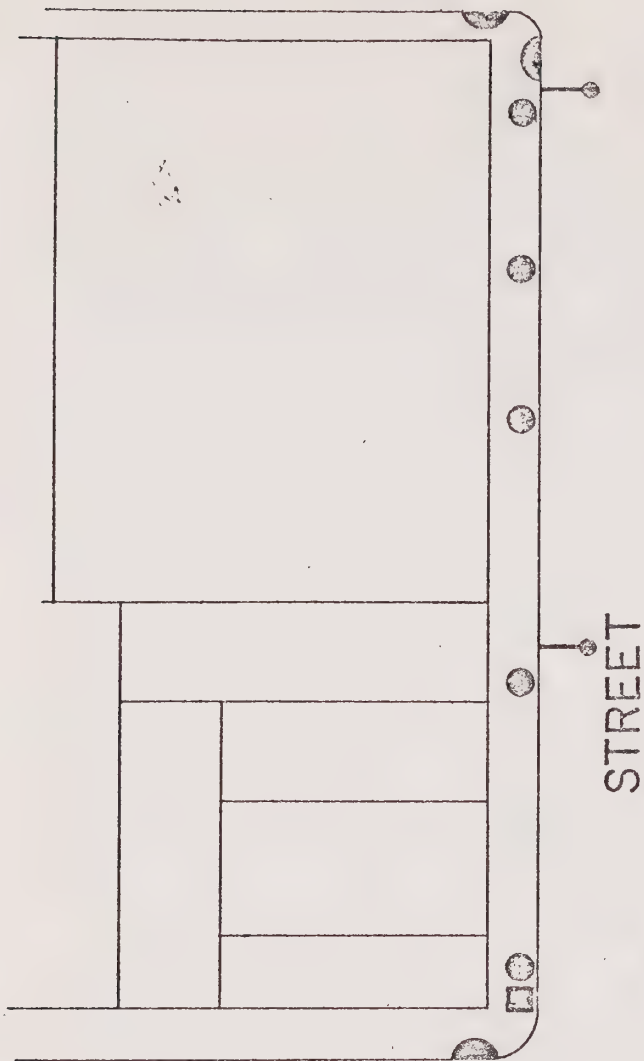




GUERRERO

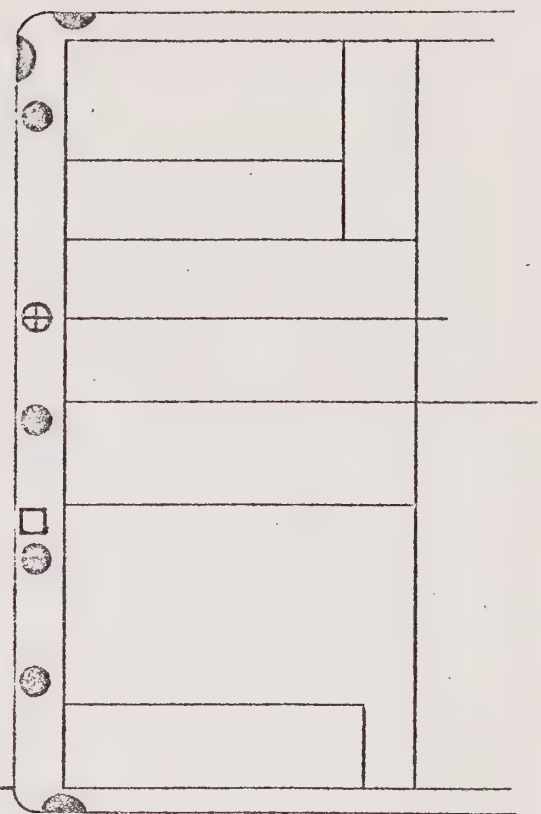
STREET

FIG. 4c



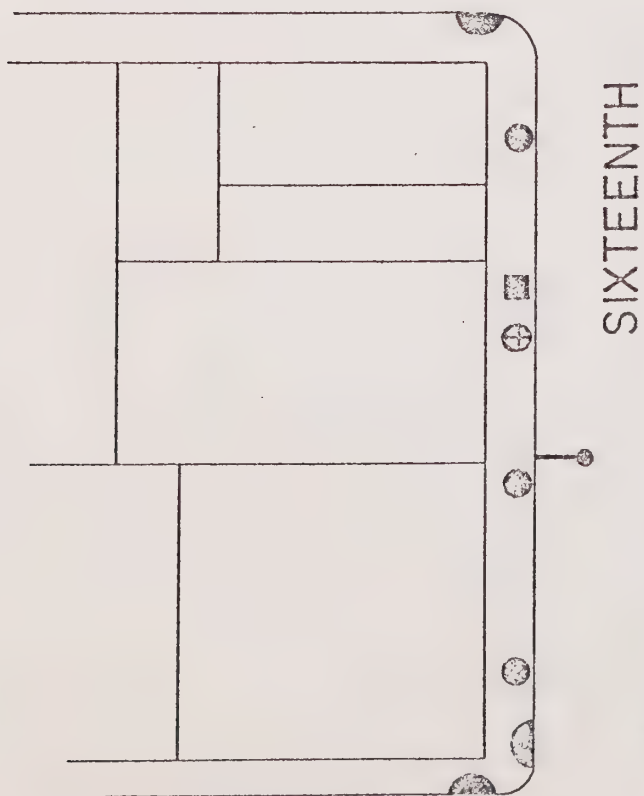
STREET

ST.



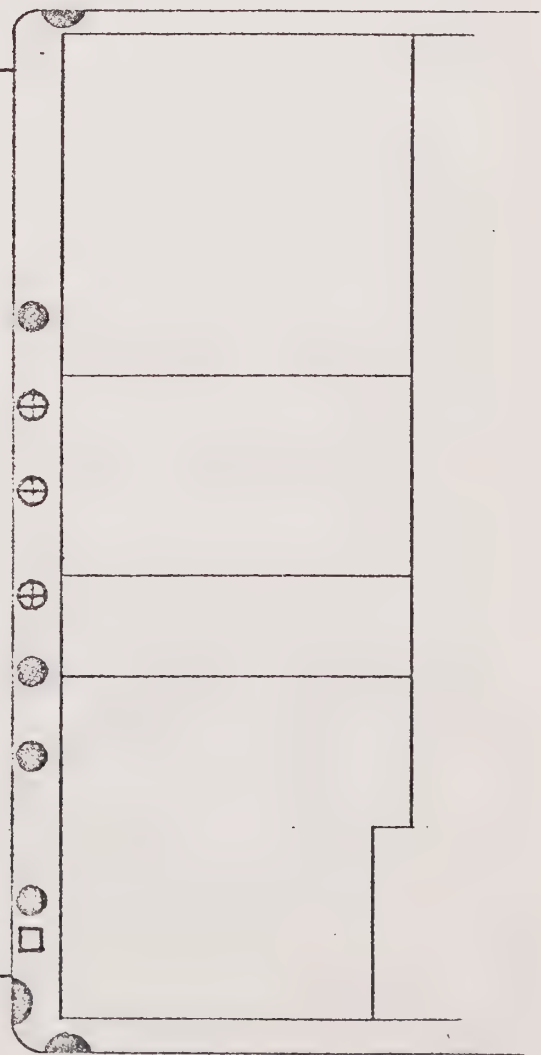
ALBION

SIXTEENTH



VALENCIA

STREET

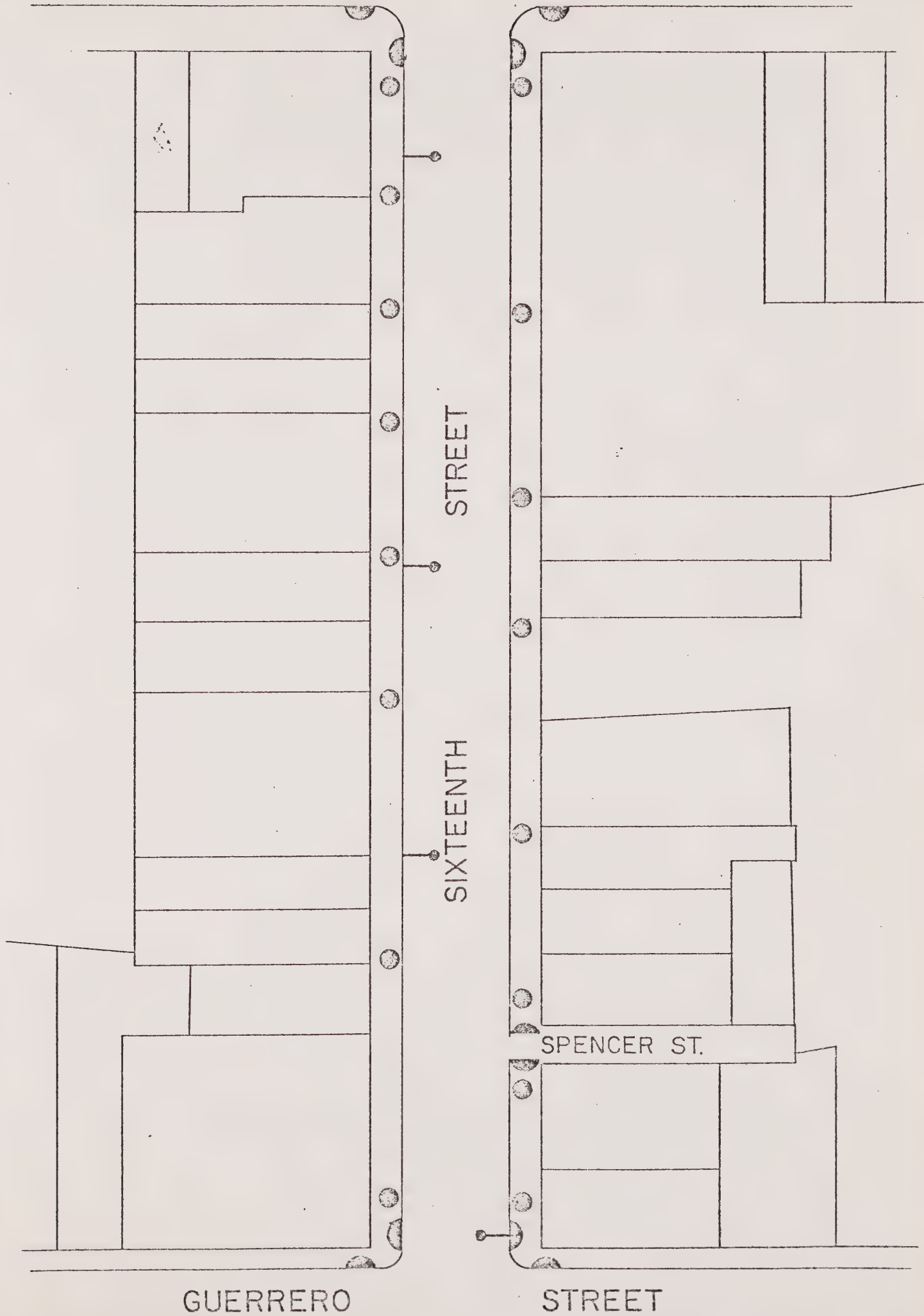




DOLORES

STREET

FIG. 4d







from \$100 to \$750 depending on location of meters and ease of installing conduits from the street. As in the case of Ocean Avenue, Urban Development Action Grant monies could be sought for both installation and hook-ups. Undergrounding of utilities along 16th Street would, while increasing the attractiveness of the street, tend to increase property values and thus property taxes and lease costs as well. The merchants and residents will have to weigh the costs and benefits of undergrounding.

2. Funding and Implementation of Public Physical Improvements:

Community Development block grant funds reserved for Neighborhood Initiated Improvement Projects can cover part of the costs for public physical improvements a - d. Community Development block grant funds reserved for neighborhood commercial revitalization could cover the rest of improvements a - f. For the undergrounding of utility lines, a combination of community development block grant funds and Urban Development Action Grant (UDAG) monies would be used. The Department of Public Works would implement the projects in conjunction with neighborhood input.

B. Private Physical Programs

1. Private Physical Improvements

a. Facade Improvements

Commercial buildings on 16th Street are also in need of physical improvements. Many of these improvements can begin with storefront facade renovation. Small-scale projects range from relatively expensive changes such as installation of awnings or new signing to painting.

SIGNING: The importance of legible signing whether it be designed to attract the attention of motorist or pedestrians cannot be overemphasized. Letter size and placement of signing is important for communicating information concerning name and type of business, operating hours, etc.

PAINT: Architectural detailing tends to blend in with the facade if the entire building is painted the same color. These decorative features such as moldings or trims can be accented



with contrasting colors. Color can also be used on relatively blank facades to create interesting patterns such as pictorial signing. Where painting of facades occurs below hotels or offices, color schemes should be developed and coordinated to extend and include the upper portions. Moreover, it is important that merchants on a block coordinate their color schemes so that individual improvements contribute to an overall visual impact that further adds distinctiveness to the commercial frontage.

AWNINGS: In addition to providing shelter, awnings are yet another way to draw attention to a business. Awnings can be used as color accents or to hold signing. They vary in cost depending on type and size. Following are drawings of storefronts as they exist today and suggestions for small-scale improvements ranging from high cost to low cost improvements.

b. Interior Improvements

The first step to interior improvements is space planning to alleviate disorderly arrangements of cardboard boxes in display areas, provide visual attraction to shoppers, and facilitate shopper's access to and knowledge of the goods or services for sale.

Other elements involve the transition space, or entry area. Lighting is an important factor there, not only in displaying merchandise, ~~re~~signing in windows, etc., but also for night security purposes.

Interior renovation should also include correction of any life safety hazards, such as exposed electrical wiring, inadequate ventilation, or faulty plumbing.

The following figure estimates minimum item costs for certain external and internal improvements.



Figure 5

Private Improvement Unit Cost Estimates

<u>Item</u>	<u>Unit Cost</u>
Exterior Painting →	<del>\$450-500</del> 9¢/sq. ft. or \$350-\$400 per storefront
Roof	<del>\$650</del> <del>65¢/sq. ft. or \$1,000 per average roof</del>
Gutter/Drain	\$1.35/lineal foot or <del>\$27/average unit of 20 ft.</del>
Window	<del>\$50</del> \$180/3'x7' frame and glass
Foundation	<del>\$55,000</del> \$3.50/lineal foot replacement <del>unit</del> <del>\$130/average unit</del>
Doors	\$80/3'x6'3" average door for staining and varnishing
Signboards	\$300/signboard

Source: ~~Bayview Hunter's Point Neighborhood Commercial Improvement~~  
Plan Independent Contractor Estimates July '78







This drawing shows Helen's Family Inn as it exists today.





The recommendations for improvements from existing include:

1. removal of projecting sign at the clerestory window level;
2. removal of paint on windows/replacement of glass where necessary at clerestory with lettering whether pressure sensitive vinyl letters or handpainted;
3. replacement of plywood with glass at display level with the addition of lettering indicating name of business-HELEN'S FAMILY INN;
4. addition of menu on door which lets people know (in this case) type of food offered, operating hours, etc.;
5. paint doors, trim, moldings, etc.



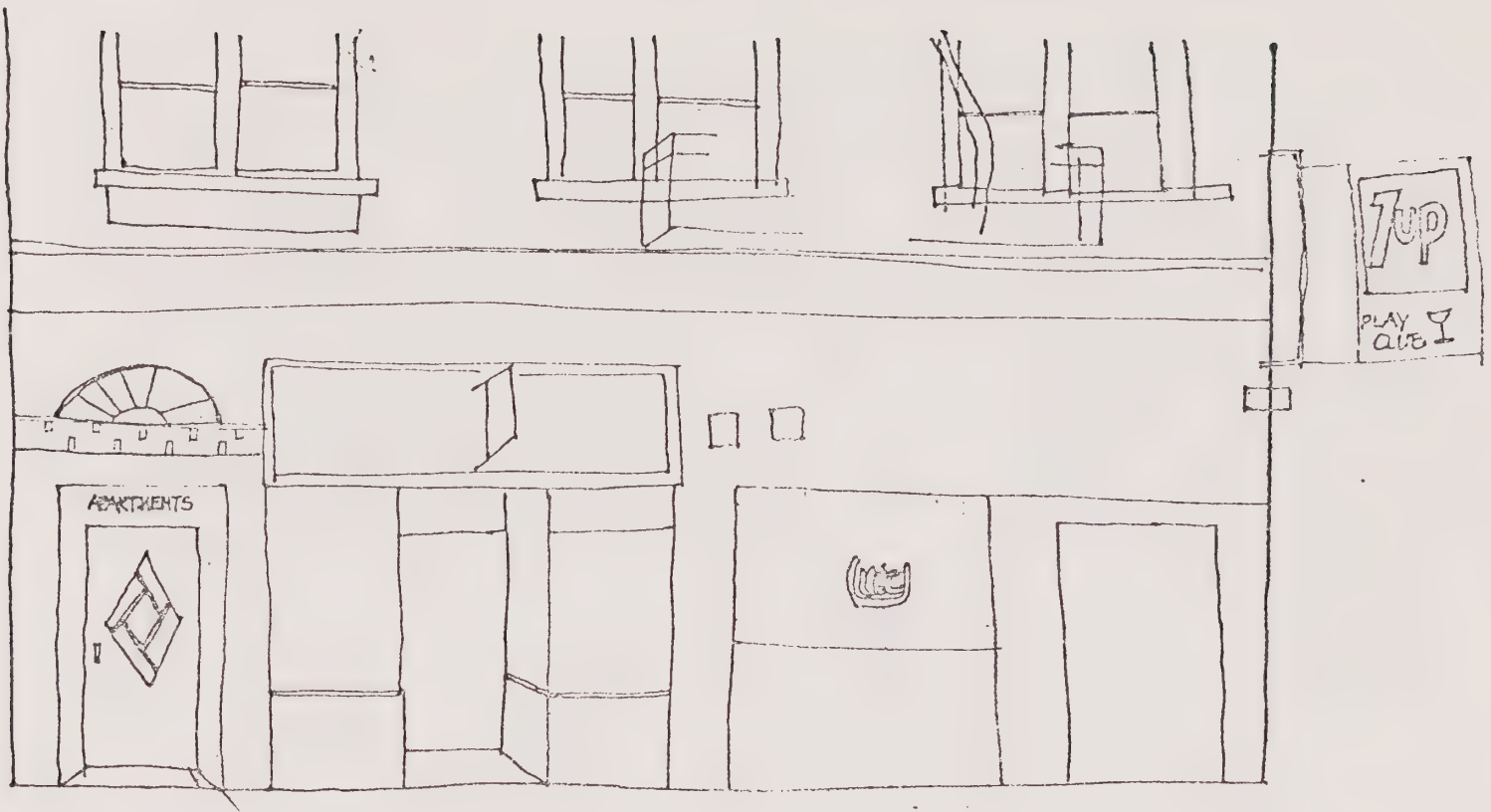


These recommendations simplify the facade by:

1. removing all existing signing;
2. replacing all glass where needed;
3. addition of awning with name of business;
4. addition of lettering on windows;
5. addition of menu on door;
6. paint facade and accent all moldings, trims with contrasting color.







This drawing shows the Play Club and neighboring commercial frontages as they exist today.





Recommendations for these facades involve:

1. painting of face using contrasting color to highlight trims; and also the addition of graphics above each business.



2. Funding and Implementation of Private Physical Improvements

a. Rehabilitation Loan Program

In order to make rehabilitation of commercial storefronts and housing in mixed use buildings feasible and to minimize costs of such rehabilitation for owners and tenants a commercial rehabilitation loan program should be initiated. (For this purpose a building with five or more residential units considered to be a commercial property; all of the residential buildings in the study area contain five or more units). This loan program would be developed within the context of a partnership between the community, private sector banking, and the City. The concept behind this program is to use CDBG funds in connection with private lenders' commitments to result in a flexible loan program capable of addressing a broad range of financing needs for the rehabilitation of structures within the target area. Initially the program would work to establish increased health and safety standards in the 16th Street commercial area.

By flexibility it is meant that the loan program should be capable of making loans to both property owners and merchant tenants, and for both "bankable" and "non-bankable" borrowers. In addition to flexibility the program would be aimed at minimizing displacement and fixed cost impacts on existing residents and businesses. The basic idea is to use CDBG funds to write down the interest rate on an otherwise private, market-rate, rehabilitation loan and/or to serve as security for the loan. Any credit worthy merchant or owner in the 16th Street study area would be eligible to participate in the loan program. For loan applicants who do not qualify under normal underwriting criteria, the City should commit CDBG funds to make interest-free deferred payment loans to the owner. The loan would be repaid to the City whenever the property is sold or transferred. If





a loan applicant is a merchant (tenant) whose financial statement could not justify a loan, the rehabilitation financing mechanism should also include a grant feature. This grant concept is discussed in the following section of this proposal.

Specific terms will not be known until a private lender is selected to participate in the program. Generally, the program should establish terms comparable to the following:

Bankable Loans:

- i. 6-8 percent interest
- ii. terms up to 15 years
- iii. maximum debt-to-value of 80 percent
- iv. maximum loan \$10,000 per commercial unit
- v. deed of trust taken to secure the note

Non-bankable Loans:

- i. interest-free loans to property owners
- ii. repayment at time of sale property
- iii. maximum deferred payment loan of \$10,000 per building

The objectives of the rehabilitation loan program would be to eliminate health and safety problems, achieve structural rehabilitation, and provide facade improvements in commercial establishments. For residential properties, upgrading through DAHI's Systematic Code Enforcement Program would be the primary administrative vehicle.

One loan package now being considered would involve a CD funded subsidy of \$50,000 applied, as the need arises, to a total loan pool of \$320,000. This CD subsidy would write down 10 year rehabilitation loans, for qualified merchants and/or owners, to mortgage type interest rate of 7% (5). The subsidy would

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(5) These loan pool and interest rate figures have been computed using a 10.25% market rate.



be applied as prepaid interest on loans approved for rehabilitation programs. Until these subsidies are needed to draw down loan interest rates the CD money would be on deposit in an interest bearing account with a chosen lending institution. In this way below market interest rates could be offered to many merchants on 16th Street for the rehabilitation of commercial properties.

MHDC in coordination with Project Dolores task forces would administer the loan program. Working together these groups would help to obtain cost-free inspections of prospective properties, estimate rehabilitation cost figures, and then assist in the loan application procedure. After completion of an application MHDC would verify the loan for the bank, which would then decide whether to approve the loan. If a loan is to be funded, then MHDC and Project Dolores would oversee the rehabilitation work to ensure contract compliance. Assistance in obtaining the proper permits, contractors, and providing any further technical assistance would be the primary function of these groups.

Total Community Development Funds

\$50,000

b. Rehabilitation Grant Program

Based on prior experience some merchants are expected to be hesitant to commit themselves to loan repayments for physical improvements when there is no certainty that the improvements would result in higher sales. Also the high percentage of absentee ownership indicates that many merchants may have difficulty in interesting their landlords to invest in an improvement loan program. Therefore, a small facade improvement grant program is recommended for the first year of funding. Grants should only be used when it is clear that a loan is infesible and the building blights the commercial strip.

The grants would act as a supplement to the loan program and would be for materials only. Each merchant would be requaired to provide or pay for the labor. For exterior painting, materials average about 25% of total cost-less if a contractor is ued, more if the merchant does the work him/herself. On the average \$1 of CDBG



funds used for materials for facade painting will leverage a \$4 commitment by the merchant. This financial commitment by the merchant would be incentive to make use of local unemployed youth for some of the tasks. A facade grant not to exceed \$1000 per participating merchant is suggested. Community development funds already earmarked for neighborhood commercial revitalization should be used to pay for the grants.

Eligibility under this grant program would be determined by non-bankable proprietor or owner conditions or when an owner is unwilling to participate in a facade improvement program. Merchants would also be required to submit plans on how the grant is to be used - e.g. painting, lettering, replacing broken glass, varnishing the door, etc., - a breakdown of costs for the materials and labor. The grant would be administered best on a block-by-block basis, in order to facilitate coordination of color schemes and plans, and supervision of work. Project Dolores would oversee the grant program and the facade improvements carried out under this program.

Total Community Development Funds

\$10,000

#### C. Traffic and Parking

The Traffic Engineering Division of the Department of Public Works made a field check of the existing parking regulations on 16th Street between Market and Folsom Streets and on the streets and alleys entering and crossing 16th Street. The results are shown in Appendices.





In general, the field check showed that parking meters or time limit parking (1-hour limits) exists on 16th Street and all the major cross streets between Dolores and South Van Ness. In addition, Julian Street between 16th and 15th Streets and Capp Street south of 16th Street have 1-hour time limit parking. Capp Street has mainly commercial frontage and Julian is mainly residential. The other minor streets and alleys in this area between Dolores and South Van Ness have no time limit restrictions on parking where parking is allowed. West of Dolores Street and east of South Van Ness, there are no time limits on parking on either 16th Street or the cross streets.

On the major streets in the commercial area, the Traffic Engineering Division does not suggest any changes. The time-limit parking and meters provide customer parking for the commercial frontage.

On the minor, more residential streets where there are presently no time limit restrictions on parking, or, as in the case of Julian Street, there exists time limit parking restrictions. The options open to the residents of those streets are essentially the following:

1. Remove time limit restrictions on the street if they exist.
2. Install time limit restrictions on the streets where none exist.
3. Consider preferential parking.
4. Leave the parking restrictions as they exist.

With regard to Options 1 and 2, Traffic Engineering would require a petition from the affected property owners and residents to initiate any parking changes. A Department of Public Works hearing would be held. Based on the results of the hearing, a recommendation would be made to the Board of Supervisors, who must legislate any parking changes. These processes would take from four to six months.



With regard to Option 3, special preferential parking petitions would have to be submitted to the Department of Public Works for an area to be considered. In preferential parking areas, time-limit parking restrictions are placed on the residential streets. Residents can purchase permits for autos legally registered in the area exempting them from those time limit restrictions. Several streets in the Inner Mission District have already submitted petitions. These streets are San Carlos, Lexington, and Bartlett Street, all of which are south of 17th Street. If any residential streets in the 16th Street area would like to be considered for preferential parking, they should first discuss the matter with Traffic Engineering before circulating petitions. It is likely preferential parking can be implemented in the next 6 to 18 months in those areas with petitions already submitted. It might be possible to include streets in the 16th Street area with the other Inner Mission Streets being considered.

Regarding traffic flows, the Division of Traffic Engineering said that altering the synchronization of the signals along 16th Street in order to reduce the speed of traffic flow would be impossible because the 16th Street signals are integrated into a synchronization pattern that covers the entire Mission district. The merchants and residents, *SP.* however, may want to consider alternatives such as traffic diversions.

A neighborhood task force on parking and traffic should be constituted - perhaps by the proposed Commercial Revitalization Committee - to study the three parking plan alternatives described by the Traffic Engineering Department.

#### D. New Large Scale Retail Development:

Presently, there are three major unused commercial sites near 16th Street: The Redlick's building on Mission near 17th Street, the Lachman Brothers site on Mission near 16th Street, and the Bon Ami building on Mission at 16th. The re-use of these sites by large scale commercial or mixed commercial-residential could provide significant benefits for the small merchants and residents of the area by attracting more shoppers to the area and by providing more retail amenities for existing residents.



There are two steps that the neighborhood can take to help ensure that existing residents and merchants benefit from major commercial redevelopment:

1. Find responsive private developers for these sites and work with them so that community concerns are met. San Francisco Renaissance is presently attempting to do this. Such community involvement is to the advantage of the private developers, as well as the neighborhood, because it can facilitate the developer's access to public monies (such as Urban Development Action Grants) for writing down development costs.
2. Promote owner occupancy of stores and residences so that rising land values will displace fewer small merchants and low-to-moderate income residents through increasing rents.

E. Promoting Owner Occupancy

In order for a revitalization program to be successful, i.e., to benefit existing merchants - the merchants should have a high degree of control over their stores, through either direct ownership or long-term fixed leases. Otherwise, any increases in the profitability of a business or the value of the building itself may end up on the landlord's pockets through rent raises. On 16th Street, over 70% of the merchants do not own their place of business. While that is not an unusually high rate of absentee - ownership for a low-to-moderate income neighborhood commercial street, a program to assist merchants in acquiring their stores is nevertheless needed if a revitalization program is to have long term benefits for the existing merchants.

The Mayor's Office of Neighborhood Economic Development can direct individual merchants to sources of legal assistance in negotiating long term leases with their landlords, or can assist in setting up an acquisition loan program for 16th Street merchants. Community Development block grant funds could be used as a reserve fund to guarantee small loans. Urban Development Action Grants could be used by a non-profit community organization, such as a local development company (LDC) or community development corporation (CDC) to complement acquisition





and loan packages. The LDC or CDC itself could become the commercial landlord and make improvements. The idea of neighborhood - based credit unions, endorsed in President Carter's recent urban policy speech should also be explored. Some neighborhood credit unions have already been funded by the Economic Development Administration. Another way of reducing absentee ownership is to use a local development corporation to purchase commercial sites as they come up for sale and find local entrepreneurs to manage the businesses located on these locally-owned properties. Financing for such efforts could come from Community Development Block Grants, Urban Development Action Grants, Small Business Administration loans, or other public sources combined or leveraged with capital from private lending institutions (See Sources of Capital for Community Economic Development by the Center for Economic Development, Cambridge, Massachusetts, 1976).

F. Technical Assistance to Individual Merchants

There are a number of public and private organizations that for little or no cost can assist small business persons with problems of management, accounting, marketing, layouts, access to operating capital or expansion capital, etc. The Mayor's Office of Neighborhood Economic Development (ONED) can help individual merchants find the appropriate organizations to assist them with particular problems.

G. Related Neighborhood Programs

To be successful, efforts towards the commercial revitalization of 16th Street must be accompanied by efforts to upgrade related aspects of the neighborhood job opportunities, job training and placement services, open space, social services, crime, and housing. Without sufficient job opportunities or job skills in the resident population of the 16th Street trade area, the disposable income of the trade area can decline and affect retail sales. Also, unemployment and underemployment in an area may relate to crime and security problems in the commercial strip. Adequate social services are necessary to address some of the social consequences of unemployment and underemployment such as alcoholism, drugs, and mental health problems.



Fires and arson have plagued the area for a number of years. In the past two years the incidence of fire and arson has decreased. Although the problem is still far from being eliminated, the incidents of arson have decreased from seven (7) per year in 1974-1975<sup>(6)</sup> to five (5) per year in 1977.

1. Job development: The neighborhood could work through existing local development companies or form a new community development corporation to promote job-providing development in the northeast industrial zone of the Mission or along the Mission Street commercial zone (see section on large scale retail development above). The Commerce and Industry Section of the Department of City Planning and the Mayor's Office of Neighborhood Economic Development can assist in such efforts.
2. Job training and placement services: O.B.E.C.A/Arriba Juntos, located in the Redstone Building on 16th Street, is currently providing job training services. The Mission Hiring Hall on 16th Street provides placement services with emphasis on minority hiring. Both of these efforts should be supported by the neighborhood and assisted by public monies.
3. Open Space Acquisition: While open space is an important amenity for local residents, it also can be an amenity for shoppers in providing them with pleasant surroundings, a place to rest, or a place for the children to play while they shop, other than the BART stop, the 16th Street commercial strip presently has no well-designed useful open space. Members of Operation Upgrade have identified several potential open space sites along 16th Street. The Trust for Public Land is evaluating these sites. To ensure an integrated commercial revitalization program for 16th Street, Proposition J funds should be set aside to permit the acquisition and development of sites deemed by the residents and merchants and the Parks and Recreation Department to be most favorable for open space.
4. Mental health outreach center: Operation Upgrade has worked to establish a mental health facility to open and operate as a crisis/outreach center on 16th Street. This center would provide immediate counselling to people suffering from problems of drug

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(6) Sixteenth Street: Neighborhood Study, January 1977.



abuse, alcoholism, etc. This service could help to improve the 'street scene' along 16th.

5. ~~X~~ Housing: Housing programs to facilitate home ownership and residential rehabilitation with rent stabilization features are necessary to reduce land speculation in the neighborhood. Speculation can cause the character of a neighborhood to change, from an emphasis on mixed-income families to double income couples without children. Such a change in residential character and residential land values can lead to a parallel change in commercial character and commercial land values. In an area of high mixed use, such as 16th Street, this parallel condition is of great importance.

Home ownership opportunities are now being explored by the Project Dolores Housing Task Force. Among the alternatives being examined are cooperative housing, condominium conversion, rehabilitation and acquisition.

Examination of DAHI residential condition files revealed six (6) of nine (9) major residential buildings presently below code. The violations range from sanitary to structural problems, with plumbing and electrical violations occurring most frequently. The financing package being explored by MHDC and Crocker Bank should, among other things, be aimed at rehabilitation programs that eliminate these residential health and safety hazards.



V.

BUDGET SUMMARY AND PHASING





# How Much Public Money is Needed and When

Year 1

Program

Source/Amount

## 1. Public Physical Improvements (see pp. 15-21)

a. Tree planting - 50 trees	\$ 5,000
b. Installation of trash receptacles - 6 receptacles	\$ 900
c. Sidewalk cleaning	-0-
d. Street lighting	15,500
e. Ramped curbs - 33 ramps	-0-

Total \$21,400

Source: Community Development Funds and NIIP Funds

## 2. Rehabilitation Loan Program (see pp. 31-32) First year program would be small, using existing loss reserve deposit at Crocker Bank. No new public funding required.

Total \$50,000

Source: Community Development Funds

## 3. Rehabilitation Grant Program (see pp. 32-33) 10 grant-loans of 1,000 each.

\$10,000

Total \$10,000

Source: Community Development Funds

## 4. Parking changes (see pp. 33-35)

## 5. New retail development (see p. 35) Both public and private financial commitment would be required here. Amounts depend on projects chosen.

Undetermined

Total Community Development Funds \$81,400



<u>Program</u>	<u>Source/Amount</u>
1. Public physical improvements	
a. Sidewalk cleaning	-0-
	Total \$ -0-
	Source: Community Development Funds
2. Continuation of facade grant program if additional merchants wish to participate. 10 grant-loans of \$ 1,000 each	
	Total \$10,000
	Source: Community Development Funds
3. Rehabilitation loan program (see pp. 31-32) 31-37	
	Total \$30,000
	Source: Community Development Funds
4. Acquisition loan program (see pp. 36-37) 36-37	
	Undetermined
5. Technical assistance to individual merchants (see p. 37 ) 37-37	-0-
	Sources: Mayor's Office of Neighborhood Economic Development (ONED), Small Business Administration (SBA), various private non-profit business assistance organizations, and private consultants.
	200 hours @ \$ 50/hr. \$ 10,000.
Total Community Development Funds	\$50,000



<u>Program</u>	<u>Source/Amount</u>
1. Undergrounding of utility cables \$85,000 (cost to P.G. & E. includes 15th Street from South Van Ness to <del>Guerrero</del> ) plus individual hook-ups.	
Total	\$85,000
Sources: Community Development Funds Urban Development Action Grants	
2. Continuation of rehabilitation loan program.	
3. Continuation of acquisition loan program.	
4. Continuation of technical assistance to individual merchants.	
Ongoing Programs (see pp. 38-39)	
1. Job Development	
2. Job Training and Placement	
3. Housing Acquisition and Rehabilitation	
4. Neighborhood Mental Health Outreach	
5. Open Space Acquisition	





VI

Apprentices

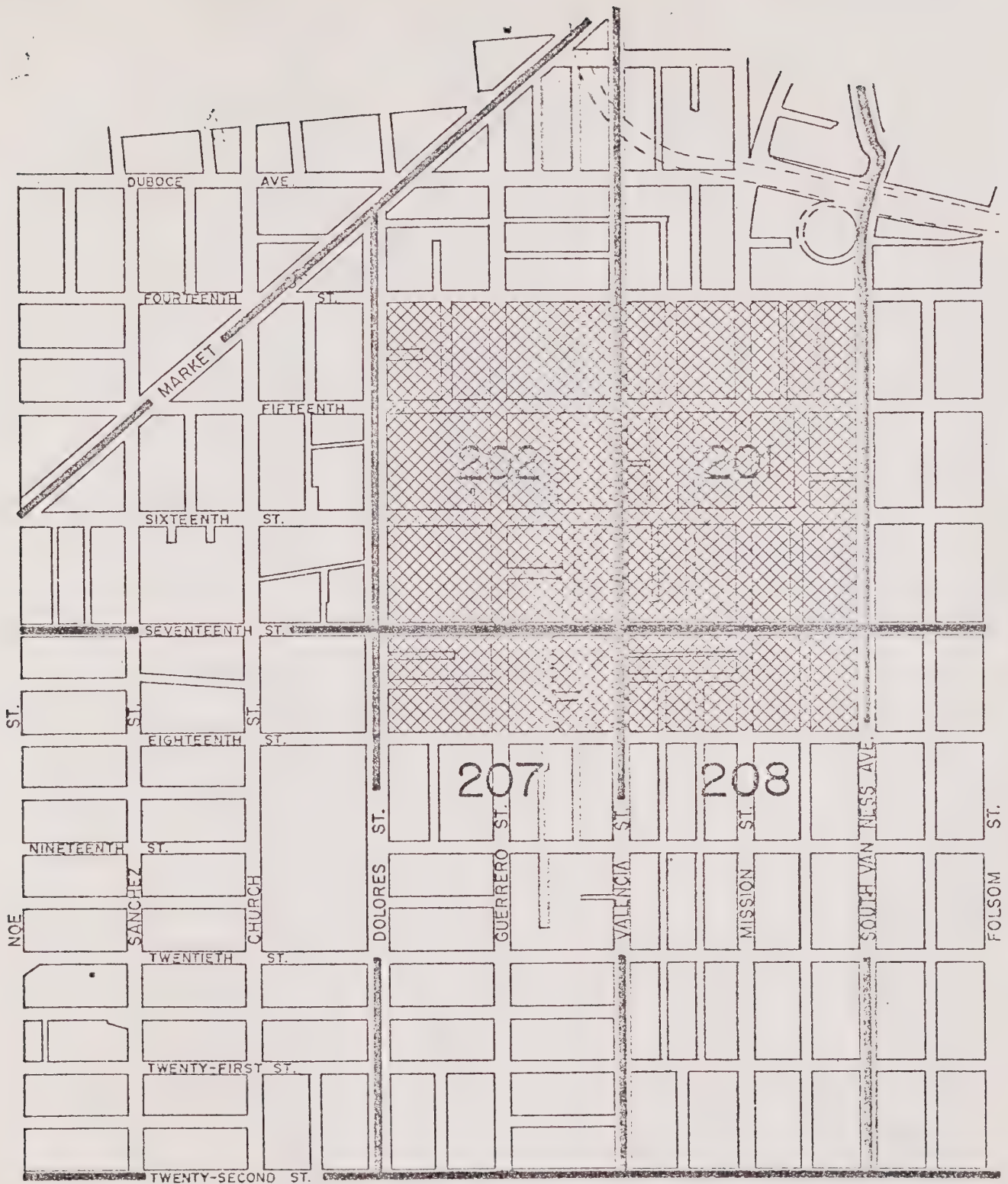


# TRADE AREA BY CENSUS TRACTS

Census Tract Percentages	Mean Household Size	Mean Household Income	Number of Households	Weekly Food \$'s Totals	Weekly Food \$'s Totals (out of home)	Weekly Personal Goods \$'s Totals Per Household	Total Dollars Spent
201 (50%)	2.0	\$ 8,012	1,237	\$21,610	\$ 9,401	\$12,803	\$ 43,814
202 (40%)	2.4	9,263	3,798	77,555	30,042	60,123	167,719
207 (20%)	2.3	11,426	444	10,103	4,391	6,747	20,965
208 (20%)	2.3	9,527	975	24,367	8,194	12,340	44,901
Neighborhood Means	2.3	9,211	-	-	-	-	-
Neighborhood Totals	-	-	6,454	-	-	-	\$277,399

Income-Expenditure Table  
 Information: Urban Decisions System, Inc.

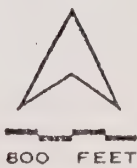




TRADE AREA

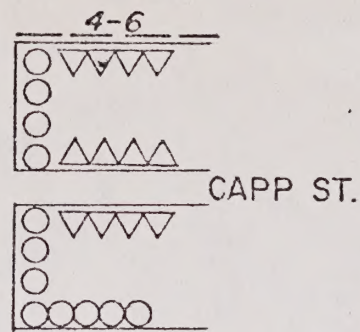
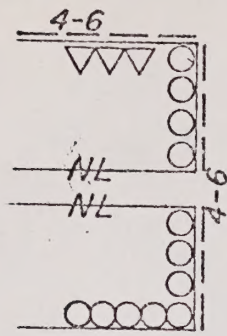


CENSUS TRACTS

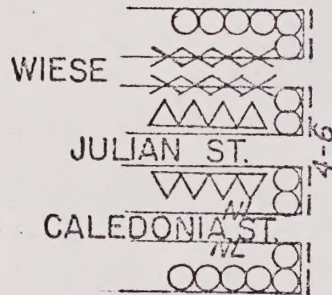




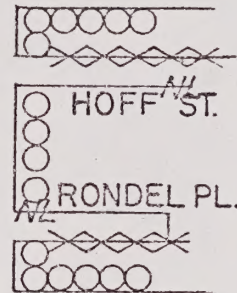




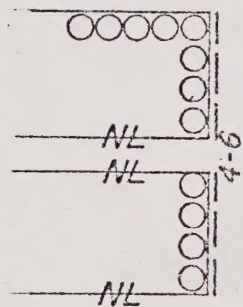
MISSION ST.



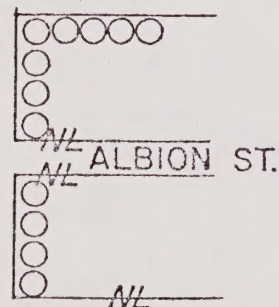
STREET



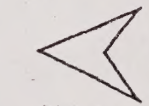
VALENCIA ST.

PARKING  
INVENTORY.

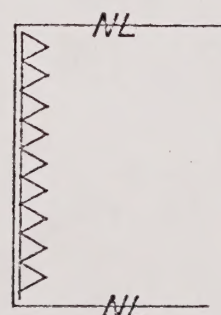
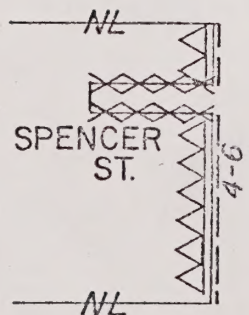
SIXTEENTH



GUERRERO ST.



No Scale



DOLORES ST.

## LEGEND

- NL No Limits
- No Parking
- Towaway 4-6 P.M.
- 1 Hour Parking
- Parking Meters

Source: Division of Traffic Engineering, March 10, 1973







U.C. BERKELEY LIBRARIES



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25073	DARK BLUE
25074	LIGHT GRAY
25075	LIGHT GREEN
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25078	RED
25079	EXECUTIVE RED
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